

RESOLUTION _____

A RESOLUTION relating to the City Light Department; adopting a 2013-2018 Strategic Plan for the City Light Department and endorsing a six-year rate path required to support the Strategic Plan.

WHEREAS, the City Light Department (“City Light”) is the 10th largest public utility in the nation, serving more than 400,000 customer accounts, and providing safe, affordable and reliable electricity to its customers; and

WHEREAS, City Light faces a number of uncertain challenges that include meeting power resource requirements, maintaining aging infrastructure, addressing an aging workforce, and achieving new operational efficiencies; and is at a pivotal moment to determine which investments are needed to continue to meet the expectations of City Light’s current and future customers; and

WHEREAS, City Light seeks to provide rate predictability and stability in future rates, and to avoid the pattern of volatile rate adjustments that has characterized the last decade; and

WHEREAS, in consultation with the Mayor and the City Council, City Light initiated the Strategic Planning process in 2010 to provide more transparency and accountability for decision-making within City Light; and

WHEREAS, the City Light Review Panel, representing City Light ratepayers, was established by Ordinance 123256 and was tasked to review the Strategic Plan during the two-year period of the Strategic Plan’s development; and

WHEREAS, the Strategic Planning process included extensive public outreach, including stakeholder meetings, public meetings, non-English speaking outreach, online surveys, advertising, media, and direct mail; and

WHEREAS, the resulting Strategic Plan is a package of investments to achieve additional operational efficiencies, maintain current service levels, improve reliability, strengthen City Light’s workforce, and support job growth and economic development in the region; and

WHEREAS, the City Council has reviewed the Strategic Plan, the associated six-year rate path, the recommendation of the Review Panel, and the results of public outreach; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE
MAYOR CONCURRING, THAT:**

Section 1. The City Council adopts City Light's proposed 2013-2018 Strategic Plan (the "Strategic Plan"), a copy of which is attached as Attachment A and incorporated by reference.

Section 2. To achieve the goals of the Strategic Plan, an average system rate increase of 4.7% per year is anticipated over the period of 2013-2018. The following six-year rate path for City Light rates is endorsed:

	2013	2014	2015	2016	2017	2018
Anticipated System Rate Adjustment	4.4%	5.6%	4.1%	4.8%	5.3%	3.9%

Section 3. The City Council requests that City Light prepare the 2013-2014 Proposed Budget in support of the Strategic Plan.

Section 4. The City Council requests that City Light prepare the 2013-2014 Rate Proposal in support of the Strategic Plan, including the endorsed system rate increases of 4.4% in 2013 and 5.6% in 2014.

Section 5. City Light will review and update the Strategic Plan every two years, adding two years to the Strategic Plan and re-evaluating the subsequent six-year rate path. The next review and adjustment of the Strategic Plan will be finalized in 2014 and will encompass the years 2015-2020.

Section 6. By the end of 2012, City Light will propose a reporting framework to the Council to track progress in achieving the goals of the Strategic Plan. The proposal should include milestones and deliverables, and special attention should be given to achievement of the \$18 million in efficiencies.

Adopted by the City Council the ____ day of _____, 2012, and
signed by me in open session in authentication of its adoption this _____ day
of _____, 2012.

President _____ of the City Council

THE MAYOR CONCURRING:

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2012.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment A: Seattle City Light 2013-2018 Strategic Plan

Attachment B: Appendix 1 – Financial Baseline

Attachment C: Appendix 2 – Strategic Investments Summary

Attachment D: Appendix 3 – Outreach Summary

Attachment E: Appendix 4 – Review Panel Recommendations Letter